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C O N F I D E N T I A L SECTION 01 OF 02 MUSCAT 000705

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SUBJECT: GCC+2 MEETING: OMANI VIEWS

**REF: STATE 101527** 

Classified By: Ambassador Gary A. Grappo for Reasons 1.4 (b, d)

¶1. (U) This is an Action Request. Please see paragraph 9.

SUMMARY

12. (C) Omani Minister Responsible for Foreign Affairs Yusef bin Alawi recommended that the upcoming GCC plus 2 meeting focus primarily on the peace process and Iraq. Bin Alawi hoped that an agreement could be reached between senior Fatah and Hamas leaders over the holding of new elections so as to end debate on the legitimacy of the Palestinian government. Israeli Foreign Minister Livni recently shared with bin Alawi her notional idea for a plan to create a Palestinian state and sought reciprocal measures from Arab governments, but bin Alawi remained skeptical of Israeli intentions. The Omani Minister asked that the Secretary clarify the President's call for holding a peace conference and advised that a joint statement from GCC plus 2 participants offer strong support for Abu Mazen "without mentioning Hamas." He criticized Iraqi PM Maliki for not consulting enough with Sunnis and other groups outside his power base, but dismissed claims that former interim PM Iyad Allawi would be able to garner sufficient backing to replace Maliki. While acknowledging the need to voice support for the Iraqi PM at Sharm el-Sheikh, bin Alawi said it would not change the bleak situation on the ground in Iraq. (Note: Bin Alawi also provided a readout of his most recent visit to Tehran which post will report via septel.) End Summary.

FIRST PRIORITY: PEACE PROCESS

13. (C) The Ambassador met with Minister bin Alawi on July 21 to review U.S. objectives (reftel) for the July 31 GCC plus 2 meeting in Sharm el-Sheikh and to elicit Omani views on the agenda and objectives for the meeting. Bin Alawi stated that the ministers should focus on two issues: first and foremost, the Israeli-Palestinian conflict and, second, the situation in Iraq. On the former, bin Alawi said that he was "disturbed" by events in Gaza and that he hoped that proposed early elections would defuse controversy over the "legitimacy" of the Palestinian government. For the elections to do this, bin Alawi stressed, there would have to be "widespread participation," including by Gazans, otherwise the balloting would "reinforce divisions." He continued that Abu Mazen and his officials would have to consult with Khalid Mishaal and former Palestinian PM Ismail Haniyeh to develop a mutually acceptable "formula" for the election. If such an agreement could not be struck, then "the question of legitimacy will remain." Bin Alawi said that Egypt could play a more useful role than Jordan in facilitating talks

between senior Fatah and Hamas figures since anti-Hamas sentiment ran deep among Jordanian officials.

- 14. (C) Bin Alawi shared that he had met with Israeli Foreign Minister Livni during one of his recent trips outside Oman (he declined to reveal when or the exact location). While expressing concern that reconciliation between Hamas and Fatah could pose obstacles to the peace process, Livni had presented him with "new ideas" on a possible "package" or "action plan" for the creation of a Palestinian state. Livni gave no details, however, and noted to bin Alawi that her initiative would touch on three major sticking points: right of return, permanent borders and the status of Jerusalem. Livni stated that if she could start implementation of such a plan, she hoped that Arab countries would take "reciprocal measures" to support it, such as official trips to Israel. Bin Alawi responded to Livni that her ideas had "possibilities," but reminded her that the "big three" issues would have to be settled through direct negotiations between Israel and the Palestinians. Bin Alawi told the Ambassador that although he was encouraged by what Livni had to say, he was nonetheless "skeptical" of Israeli intentions given "contradictory" statements by Israeli PM Olmert. To give an example, bin Alawi pointed out that Olmert had expressed notional "acceptance" of the Arab League Peace Initiative, but then had publicly rejected the return of Palestinian refugees to present-day Israel.
- 15. (C) When asked what outcomes he hoped from the GCC plus 2 meeting, bin Alawi replied that any joint statement should support the principles of the Roadmap and the mission of the Quartet. He strongly recommended that a statement specifically "not mention Hamas," as this might generate divisions within GCC plus 2 group, but that it should offer

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strong support for Abu Mazen and for giving him the "tools he needs" to lead the Palestinian people.

16. (C) Referring to the President's July 16 speech on the peace process, bin Alawi said that it was "now clear" that the "conference" called for by the President was not a true international peace conference as proposed by the Egyptians and others. "The Secretary should explain this to us," bin Alawi stated. If the conference or meeting would discuss, for example, ways to support the mission of former British PM Tony Blair, then Oman would not object to relatively limited participation. But if the gathering were to discuss Middle East peace process more broadly, "then Syria, Lebanon, Iran, and other Arab and Muslim countries should be there, too." In order to achieve tangible progress, bin Alawi advised that participants should focus on a "medium-term package," rather than on final status issues.

IRAQ: NEED FOR CHANGE

- 17. (C) Commenting that events in Iraq were "out of control," bin Alawi claimed that Iraqi PM Maliki was "still not consulting enough" with groups outside his power base despite the urgings of other Arab states including Oman. Bin Alawi doubted that Maliki had effective control of the Iraqi security forces and noted that Maliki's efforts to make private contact with Saudi King Abdullah had been rebuffed. While acknowledging that Maliki had been duly elected, bin Alawi remarked that "there is no democracy during a time of war."
- 18. (C) Although many Iraqis are dissatisfied with their current prime minister, Bin Alawi stated that most Iraqi Shi'a did not want former PM Iyad Allawi to replace Maliki, and that Ayatollah Sistani would not support a bid for power by Allawi. "He doesn't stand a chance," bin Alawi declared. According to the Omani minister, many Iranian Shi'a do not trust Allawi and view him as "an old Baathist," as well as

the "candidate of Saudi Arabia and Jordan." Bin Alawi acknowledged that the Secretary would seek GCC plus 2 members to publicly support Maliki, but said that the situation in Iraq "will not change overnight regardless of who is Prime Minister."

19. (C) Action Request: Bin Alawi stated that he would like to talk privately with the Secretary, perhaps in a brief pull-aside, at the GCC plus 2 meeting to discuss his recent visit to Tehran and other issues of concern. Post recommends that such a pull-aside take place, if possible, and will assist in making arrangements upon receiving instructions from the Department. End Action Request. GRAPPO